

Board of County Commissioners

Budget Discussion Item

Date of Meeting: September 14, 2004
Date Submitted: September 8, 2004

To: Honorable Chairman and Members of the Board

From: Parwez Alam, County Administrator
Vincent Long, Assistant County Administrator
Alan Rosenzweig, Director, Office of Management and Budget

Subject: FY04/05 Additional Funding of Apalachee Center

Statement of Issue:

This item seeks Board direction regarding Apalachee Center's additional FY04/05 funding request in the amount of \$204,366.

Background:

Leon County and Apalachee Center entered into an agreement commencing May 30, 1997 (Attachment 2A). The agreement, by way of extension to the agreement, will expire on September 30, 2004 and may be further extended for another agreed upon period of time. Under the current agreement, the amount of funding in a given year would be the previous year's payment plus a 3% cost of living increase. Consistent with this method, funding in the amount of \$386,325 has been budgeted for FY04/05.

The State of Florida's House Bill 1835 appropriated an additional \$1,000,000 to the Apalachee Center Crisis Stabilization Unit for FY04/05 (Attachment 2B). Apalachee Center first notified Leon County staff after the budget workshop by a June 14, 2004 letter to the County Administrator (Attachment 2C). Apalachee Center asserts that a local match is required by the 8 counties that utilize the facility, which, per Florida Administrative Code 65 E-14.005 Community Substance Abuse Services Financial Rules-Matching, totals \$333,333. Per Leon County's bed day usage of the facility, the County's portion would be \$204,366.

Apalachee Center is requesting a total of \$591,800 for FY04/05 from Leon County. In anticipation of the above-mentioned agreement being extended, \$386,325 has been budgeted for FY04/05. At the July 13, 2004 Commission meeting, staff was directed to follow-up on an agenda item regarding the Apalachee Center's request for the additional funding in the amount of \$204,366 for FY04/05 (Attachment 2D).

As part of the overall review process, members of the Office of Management and Budget, Housing and Human Services and the County Attorney's office met with representatives of Apalachee Center on July 28, 2004. In addition, staff participated in a sight tour and follow-up meeting on August 24, 2004 at Apalachee Center.

Analysis:

Opinion of the Leon County's Attorney's Office

The County Attorney's office stated their position regarding local match requirements for the Apalachee Center in a memorandum provided at the July 13, 2004 Commission meeting

(Attachment 2E). The memorandum cited sections 394.76(3)(b), (9)(a) and 394.457(3) of the Florida Statutes (Attachment 2F) as the relevant law for the opinion that the County is not obligated to provide funding to Apalachee Center. To date, the County Attorney's office maintains their position that Leon County is not obligated to provide additional funds over and above what is currently included in the proposed FY04/05 budget.

As reflected in the 1996 opinion of the County Attorney's office, the Florida Statutes require Apalachee Center to seek funding from other local sources before soliciting funding from the County (Attachment 2G). Apalachee Center has not shown any evidence that it has solicited any funding from any other local entity.

Interpretation of Florida Department of Children & Families

The Florida Department of Children & Families (DCF) was asked by Apalachee Center to provide an interpretation regarding the local match requirements of Leon County. DCF concludes that there is no intent to exempt any Baker Act services from the local match requirement (Attachment 2H). The services of the Apalachee Center's crisis stabilization unit, for which additional funds are being requested, coincide with Baker Act services.

Other Counties Funding of Apalachee Center

A total of 8 counties fund Apalachee Center. Including Leon County, they are Franklin, Gasden, Jefferson, Liberty, Madison, Taylor and Wakulla. These 7 other counties were contacted regarding their intentions to fund the additional appropriation. Madison County has not responded. Franklin, Gasden, Liberty and Wakulla Counties have not yet taken action, but are interested in the course that Leon County chooses. Taylor County's Board has approved the standard request, but questions the additional request. The County Attorney for Jefferson County does not wish to fund the additional request. It is his opinion that a local match is not required because these funds intended to increase the number of beds at Apalachee Center are not operating funds.

Other Counties in Florida Receiving Additional Appropriation

There are other counties in Florida that have also received the additional appropriation for their crisis stabilization units under House Bill 1835 for FY04/05. Staff contacted Lee, Seminole, Orange, Hillsborough, Sarasota and Dade Counties. The Principal Management Analyst for Sarasota County is unaware of any local match requirements for the crisis stabilization unit and has not been contacted by the facility for funding. Also, the Housing and Human Services Policy Coordinator for Sarasota County states that the County does not even fund the facility. The Deputy Director of Human Services for Lee County does not intend to increase the funding because her review of the Florida Statutes indicates that a local match is only required if the facility is unable to secure funding from other sources.

FY04/05 Available Funding

Funding under Leon County's contract with Apalachee Center in the amount of \$386,325 is currently in the FY04/05 Human Services budget. Should the Board elect to fund the Apalachee Center's additional request of \$204,366 for FY04/05, staff recommends moving forward with this issue as a one-time appropriation and reviewing it during the budget process in each subsequent year.

Funding for the additional request in FY04/05 would be available from the proceeds generated by the increased Primary Healthcare MSTU millage rate. The MSTU is dedicated to indigent

healthcare. According to Apalachee Center, the majority of Leon County's citizens who utilize the facility are indigent. Those that are not considered indigent are treated at Tallahassee Memorial Hospital's crisis stabilization unit.

Alternatively, funding for the additional FY04/05 request is available through expenditure reductions. A list of possible expenditure reduction is provided (Attachment 2I).

Conclusion

Based on the opinion of the County Attorney's office and the information provided by other counties, it does not appear that Leon County is obligated to fund the additional dollars requested by Apalachee Center. However, providing the requested funding may benefit the community by potentially reducing the overcrowding of the County's jail. With the additional appropriation, Apalachee Center intends to increase the number of beds by 10 in the crisis stabilization unit.

Options:

1. Request Apalachee Center to seek other local funding sources prior to soliciting County funding.
2. Approve an additional \$204,366 in the FY04/05 budget to fund the Apalachee Center using a portion of the proceeds generated by the increased Primary Healthcare MSTU millage rate.
3. Approve an additional \$204,366 in the FY04/05 budget to fund the Apalachee Center through expenditure reductions as identified by the Board.
4. Do not approve an additional \$204,366 in the FY04/05 budget to fund the Apalachee Center.
5. Board Direction.

Recommendation:

Option #5

Attachments:

- 2A. May 30, 1997 Agreement by and between Leon County and Apalachee Center
- 2B. Conference Report of House Bill 1835 FY04/05
- 2C. June 14, 2004 letter from Apalachee Center to County Administrator requesting additional funding for FY04/05
- 2D. July 13, 2004 Agenda Item: Additional Funding Request for Apalachee Center
- 2E. July 1, 2004 Memorandum from the County Attorney's office regarding local match requirements
- 2F. Sections 394.76(3)(b), (9)(a) and 394.457(3) of the Florida Statutes
- 2G. December 20, 1996 Memorandum from the County Attorney's office regarding local match requirements
- 2H. August 23, 2004 opinion of Florida Department of Children & Families regarding local match requirements
- 2I. FY04/05 Possible Expenditure Reductions

PA/AR/dmv